

BEFORE THE ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

In the Matter of:) **2019 Regular Vocational Program**
WOZU EDUCATION HOLDINGS) **License Renewal for WozU**
Holder of License No. NAV-0V1650)
For the Regulation of Private Postsecondary) **CONSENT AGREEMENT AND**
Educational Institutions Operating) **ORDER**
In the State of Arizona)
)

CONSENT AGREEMENT

RECITALS

In the interest of a prompt and judicious settlement of the above-captioned matter before the Arizona State Board for Private Postsecondary Education (“Board”), and in the interest of protecting the people of the State of Arizona, consistent with the statutory requirements and responsibilities of the Board pursuant to A.R.S. § 32-3001, *et seq.* and A.R.S. § 41-1092.07 (F)(5), WozU Educational Holdings (“Applicant”), applicant for renewal of license number NAV-0V1650 to operate a private postsecondary educational institution in the State of Arizona, and the Board enter into the following Consent Agreement for Findings of Fact, Conclusions of Law, and Order (“Consent Agreement”).

1. Applicant has the right to consult with an attorney prior to entering into this Consent Agreement. Applicant has read and understands this Consent Agreement as set forth herein, and has had the opportunity to discuss this Consent Agreement with an attorney or has waived the opportunity. Applicant voluntarily enters into this Consent Agreement for the purpose of avoiding the expense and uncertainty of an administrative hearing.

2. Applicant understands that it has a right to a public administrative hearing concerning each and every allegation set forth in the above-captioned matter, at which time Applicant could present evidence and cross-examine witnesses. By entering into this Consent Agreement, Applicant freely and voluntarily relinquishes all rights to such an administrative hearing, as well as all rights of rehearing, review, reconsideration, appeal, judicial review, or

any other administrative, and/or judicial action concerning the matters set forth herein.
Applicant affirmatively agrees that this Consent Agreement shall be irrevocable and any
modifications to this original document are ineffective and void unless mutually approved by
the parties in writing.

5 3. Applicant agrees that the Board may adopt this Consent Agreement under
6 A.R.S. §§ 32-3051 and 32-3052. Applicant understands that the Board may consider this
7 Consent Agreement or any part of it in any future disciplinary action against it.

8 4. Applicant understands that this Consent Agreement does not constitute a
9 dismissal or resolution of other matters currently pending before the Board, *if any*, and does not
10 constitute any waiver, express or implied, of the Board's statutory authority or jurisdiction
11 regarding any other pending or future investigation, action, or proceeding.

12 5. The Consent Agreement shall be subject to adoption by the Board and shall be
13 effective only when signed by the Chair of the Board or the Executive Director of the Board, on
14 behalf of the Chair. In the event that the Board does not adopt this Consent Agreement, it is
15 withdrawn and shall be of no evidentiary value and shall not be relied upon nor introduced in
16 any action by any party. The parties agree that if the Board rejects this Consent Agreement and
17 this case proceeds to hearing, Applicant shall assert no claim that the Board was prejudiced by
18 its review and discussion of this document or any other records relating thereto.

19 6. _____ Applicant understands that this Consent Agreement is a public record that may
20 be publicly disseminated as a formal action of the Board.

21 7. Applicant understands that any violation of this Consent Agreement could be
22 grounds for disciplinary action by the Board pursuant to A.R.S. § 32-3051(18).


WozU Educational Holdings

Dated: 10/16/19

FINDINGS OF FACT

2 1. The Board is the duly constituted agency for the licensing and regulation of private
3 postsecondary educational institutions operating vocational and degree-granting programs in the
4 State of Arizona and has jurisdiction over Applicant and the subject matter pursuant to A.R.S. §
5 32-3001, *et seq.*

6 2. WozU is an applicant for renewal of license number NAV-0V1650, which
7 authorized it to operate a private postsecondary vocational education institution in the State of
8 Arizona.

9 3. As part of the Board's license renewal process, the Board reviews each
10 institution's application for financial responsibility and management capabilities, pursuant to
11 A.R.S. §§ 32-3021(B), 32-3051, and A.A.C. R4-39-103 to R4-39-107.

12 4. On April 25, 2019, the Board reviewed Applicant's submission for renewal and
13 voted to deny the regular vocational program and supplemental license application for a change
14 of ownership after determining Applicant was not eligible for renewal of licensure pursuant to
15 A.R.S. § 32-3021(B) and A.A.C. R4-39-105, and not eligible for change of ownership pursuant
16 to A.A.C. R4-39-110.

17 5. In order to address the Board's immediate concerns regarding Applicant's
18 financial responsibility and management capability, Applicant has maintained a \$250,000.00
19 surety bond and has removed Mr. Brent Richardson from the Board of Directors as of May 30,
20 2019. Subject to the Board's approval of this Consent Agreement, Applicant has also agreed to
21 withdraw its request for a formal administrative hearing in the matter of the denial of license, but
22 has requested the Board consider approving a six-month probationary renewal period (through
23 April 30, 2020) of its regular vocational program license in order to allow its remaining twenty-
24 one students to complete the program.

CONCLUSIONS OF LAW

26 1. The Board possesses jurisdiction over the subject matter herein and over WozU as
a Licensee and Applicant of the Board pursuant to A.R.S. § 32-3001, *et seq.*

1 2. The Board has the statutory authority to enter into this Consent Agreement pursuant
2 to A.R.S. §§ 32-3052(F) and 41-1092.07(F)(5).

3 3. The conduct described in the Findings of Fact above, if proven true, may
4 constitute grounds for disciplinary action pursuant to A.R.S. § 32-3051(1), and violate the
5 provisions of A.R.S. § 32-3021(B)(3), which states, “An applicant for a private vocational
6 program license shall be financially responsible and have management capability.”

7 4. The conduct described in the Findings of Fact above, if proven true, may
8 constitute grounds for disciplinary action pursuant to A.R.S. § 32-3051(1), and violate the
9 provisions of A.R.S. § 32-3021(B)(10), which states, “An applicant for a private vocational
10 program license shall comply with all federal and state laws and regulations relating to the
11 operation of a private postsecondary educational institution.”

13 5. The conduct described in the Findings of Fact above, if proven true, may
14 constitute grounds for disciplinary action pursuant to A.R.S. § 32-3051(1), and violate the
15 provisions of A.A.C. R4-39-105(A)(3) and R4-39-110(H)(3), which state, “The Board shall not
16 grant or renew a regular license to an applicant if the applicant provides false or misleading
17 information on or with an application required by this Section.”

18 ORDER

19 **IT IS HEREBY ORDERED THAT** the 2019 License Renewal for WozU shall be
20 granted with the following stipulations:

21 1. Maintain a surety bond in a form acceptable to the Board, a letter of credit, or a
22 cash deposit meeting the requirements listed in A.R.S. § 32-3023 in an amount of no less than
23 TWO HUNDRED FIFTY THOUSAND AND 00/100 (\$250,000.00);

24 2. Admit no new Arizona-based students to WozU during this licensure period and
25 cease all advertising of the vocational program licensed by the Board and associated with the
State of Arizona.

26 3. Submit a complete application and applicable fees to the Board for renewal of its
2020 Regular Vocational License by November 1, 2019.

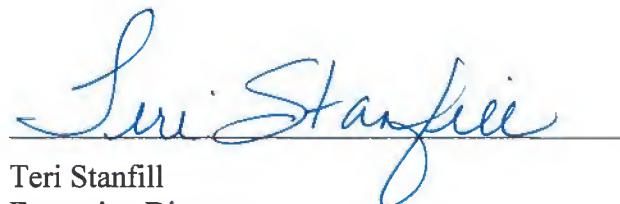
1 4. Voluntarily surrender its Arizona license to operate as a vocational postsecondary
2 education institution to the Board on or before May 1, 2020.

3 5. Provide the Board with an electronic copy of all educational records of students
4 no more than 15 calendar days after ceasing operations pursuant to R4-39-401, including at a
5 minimum for each student: an enrollment agreement, a transcript, and a ledger card recording all
6 financial obligations incurred and all funds paid by or on behalf of the student to the licensee.

7 This Order does not preclude WozU from operating or advertising online program
8 management services (“OPM”) that do not require a vocational program license from the Board.
9 This Order does not preclude WozU from submitting a future application to the Board for a new
10 license to operate as a vocational postsecondary education institution in Arizona, so long as it has
11 complied with all procedures for ceasing operations outlined in Arizona Administrative Code
12 Title 4, Chapter 39, Article 4.

13 ARIZONA STATE BOARD FOR
14 PRIVATE POSTSECONDARY EDUCATION



15 
16 Teri Stanfill
17 Executive Director

18 Dated this 24 day of October, 2019

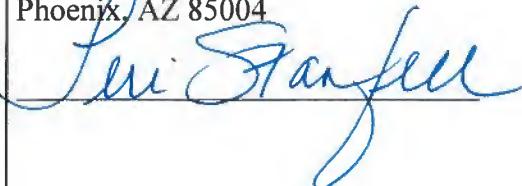
20 Original Consent Agreement and Order
21 mailed certified, return receipt requested
22 this 24 day of October, 2019 to:

23 WozU Education Holdings
24 8444 North 90th Street
25 Suites 105, 110, 115
26 Scottsdale, Arizona 85258

27 David Garner
28 Osborn Maledon, P.A.
29 2929 North Central Avenue, 21st Floor
30 Phoenix, Arizona 85012
dgarner@omlaw.com

1 Copy of the foregoing sent by inter
2 agency and electronic mail this 24
day of October, 2019 to:

3 Frankie Shinn-Eckberg, AAG
4 Office of Arizona Attorney General
5 2005 N Central Ave
Phoenix, AZ 85004

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